



QBE Insurance (Australia) Limited

Insurance Markets and Rewards (imar) Tradie Insurance Package

Business Pack Insurance Policy



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About this booklet

There are two parts to this booklet. The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the largest insurers and reinsurers in the world.

About Gallagher

Gallagher is an international insurance brokerage, risk management and consulting firm, operating in 35 countries. We are the chosen partner to more than 100,000 Australian businesses, from small businesses through to multinational corporations and iconic brands.

Through our network of more than 25 regional and metropolitan branches across Australia, we understand local business communities because we are part of them ourselves.

Gallagher is committed to ethical business practice and has been recognised as one of the World's Most Ethical Companies by the Ethisphere Institute for eight consecutive years from 2012–2019.

Gallagher does not act as the agent of the insurer and does not issue, guarantee or underwrite this policy.

Gallagher is a broking organisation, which in Australia includes Arthur J. Gallagher & Co (Aus) Limited, ABN 34 005 543 920, AFSL No. 238312.

About imar

imar is a business name of Arthur J. Gallagher & Co (Aus) Limited, ABN 34 005 543 920, AFSL No. 238312.

Gallagher is committed to providing tradies with specifically designed policies at the most competitive premiums.

As a valued client of Gallagher, you receive many additional advantages including:

- Industry leading tradies policies - created specifically with your insurance requirements in mind.
- Dedicated client managers - when you have a problem or need advice, you have direct access to people who will act on your behalf, quickly and professionally.
- Fast and fair claims settlements - Gallagher's claim specialists take pride in ensuring you receive fast and fair settlements, after all, that's why you're insured.
- Monthly premium payments - conveniently deducted from your bank account and at no additional cost to you.
- No paperwork - Gallagher recognises that tradies hate paperwork, so to make life a little easier for you, Gallagher developed a system that does away with insurance paperwork.
- 24 hour emergency assistance hotline – if a situation arises where you need immediate assistance, help is only a phone call away (24 hours a day – 7 days a week). Freecall 1800 284 627.

With more than 25,000 tradies insured Australia wide, you can feel confident Gallagher, as Australia's tradies insurance specialist, will protect your interests by providing quality products supported by personal service.

Important information

Duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

The General Insurance Code of Practice

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit us to high standards of service
- Promote better, more informed relations between us and you
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you
- Promote continuous improvement of the general insurance industry through education and training.

Privacy

We'll collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so we can do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom we collect personal information, as well as where we store it and the full list of ways we could use it. To get a free copy of it please visit qbe.com.au/privacy or contact QBE Customer Care.

It's up to you to decide whether to give us your personal information, but without it we might not be able to do business with you, including not paying your claim.

Resolving complaints & disputes

At QBE we're committed to providing you with quality products and delivering the highest level of service.

We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

Something not right?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

Step 1 – Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 – Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

Step 3 – Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by AFCA decisions - but you're not. You can contact AFCA directly and they'll advise you if your dispute falls within their Rules.

Disputes not covered by the AFCA Rules

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

Privacy complaints

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE's CCU, AFCA or the OAIC

How to contact QBE Customer Care

Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<ul style="list-style-type: none"> complaints@qbe.com, to make a complaint. privacy@qbe.com, to contact us about privacy or your personal information. customercare@qbe.com, to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, Parramatta NSW 2124

How to contact AFCA

Phone	1800 931 678 (free call)
Email	info@afca.org.au
Online	www.afca.org.au
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

How to contact the OAIC

Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

Information about your Policy

This is the Policy wording. It tells you:

- what the Policy covers,
- what the Policy does not cover,
- how to make a claim,
- excesses, and
- other conditions.

Details of the insurance which are particular to you are shown on the Policy Schedule which we send to you with the Policy wording.

The date when your insurance cover ends is particularly important.

Please read this Policy carefully and retain it in a safe place.

How Goods and Services Tax (GST) affects our payments we make

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.

When we pay a claim, your GST status will determine the amount we pay.

When you are:

- not registered for GST, the amount we pay is the sum insured/limit of indemnity or the other limits of insurance cover including GST;
- registered for GST, we will pay the sum insured/limit of indemnity or the other limits of insurance and where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the Policy) we will pay for the GST amount.

We will reduce the GST amount we pay for by the amount of any input tax credits (ITC) to which you are or would be entitled if you made a relevant acquisition. In these circumstances, the input tax credit may be claimable through your business activity statement (BAS).

You must advise us of your correct Australian business number (ABN) and Taxable Percentage.

Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured/limit of indemnity or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for ITC) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, ITC, BAS and Acquisition have the same meaning as given to those expressions in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an ITC on your premium as a percentage of the total GST on that premium.

Evidence of value

Please retain receipts of purchase or proof of the value of all property insured by this Policy so that you can prove the amount of any loss if you have to claim under this Policy.

Preventing our right of recovery

If you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this Policy we will not cover you under this Policy for that loss, damage or liability.

Third party interests

You must inform us of the interests of all third parties (e.g. financiers, lessors) to be covered by this insurance. We will protect their interests only if you have informed us of them and we have noted them on the Policy Schedule.

How you can pay your premium

You can pay your premium:

- in one (1) annual amount; or
- in monthly instalments.

Payment of premium may be made by debit to your nominated financial institution, your account, cash, cheque, BPAY or credit card. If your cheque or credit card is dishonoured by your financial institution you are not insured unless we have agreed in writing to continue to insure you.

Overdue premium

You must pay your premium on time otherwise your Policy may not operate and there will be no cover.

Paying your annual premium

You must pay your annual premium by the due date to your insurance broker Gallagher. If your premium is unpaid by this date or your payment is dishonoured this Policy will not operate and there will be no cover.

Paying your instalment premium

If you are paying your premium for the first time by instalments, we will deduct instalments each month on the day of the month that you nominate as your payment date.

If you are renewing your Policy and you paid your previous Policy by instalments, we will continue to deduct instalments for your renewed Policy on the day of the month you previously nominated as your payment date, unless you tell us otherwise.

If you have nominated the 29th, 30th or 31st of the month as your payment date, we will deduct your instalment payment on the next day if those dates do not occur in a month.

If your first instalment of premium when you take out your Policy or renew it is dishonoured, this Policy will not operate and there will be no cover.

We will not pay a claim under this Policy if, at the time the claim occurred, any instalment of premium has remained unpaid for 14 days or more.

If any instalment of premium has remained unpaid for one (1) month, we may cancel this Policy. We will send you a notice giving you details of the action we intend to take and when any cancellation will become effective.

We are entitled to deduct from any amount we pay you under a claim any unpaid premium or instalment of premium.

If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if those details change. You must do this no later than seven (7)

days before your next instalment is due.

Our agreement

This Policy is a legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy Schedule, subject to the terms and conditions of the Policy. Cover is provided during the period of insurance shown on your Policy Schedule or any renewal period.

We will not pay any more than the sum insured or limit of liability for each section which is shown in the Policy Schedule, unless stated otherwise in the Policy wording.

We will not pay the excesses shown in the Policy wording or Policy Schedule. If any loss or damage or liability leads to a claim under more than one (1) section of this Policy, you must pay the highest applicable excess, but you need pay only one (1) excess.

General definitions applying to all sections of this Policy

Wherever the words listed below are used in the Policy wording, they mean what is set out below:

Word or term	Meaning
Australia	the Commonwealth of Australia, its dependencies and Territories.
Business	the trade or occupation described in the Policy Schedule (and no other for the purpose of this insurance) carried on at and from the location.
Business hours	your office and working hours (including overtime) during which you or your employees are on the location for the purpose of your business.
Excess	<p>the amount specified in the Policy Schedule, payable by you on each and every claim arising out of one (1) event or occurrence under that Policy section.</p> <p>Should more than one (1) excess be payable under this Policy for any claim or series of claims arising from the one (1) event, such excesses will not be aggregated and the highest single level of excess only will apply.</p>
Flood	<p>The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:</p> <ul style="list-style-type: none"> • A lake (whether or not it has been altered or modified) • A river (whether or not it has been altered or modified) • A creek (whether or not it has been altered or modified) • Another natural watercourse (whether or not it has been altered or modified) • A reservoir • A canal • A dam.
Location(s)	the place(s) listed in the Policy Schedule where you carry out your business.

Word or term	Meaning
Market value	the retail value of items of a similar type, age and condition, with adjustment for its special features, if any. Used price guides and any other information may be used to assist in determining market value.
Money	cash, notes, negotiable instruments, cheques, postal notes, post office money orders, negotiable securities, stamps, credit card sales vouchers, instant lottery tickets, bus or transport tickets, telephone credit cards or franking machine credits.
Period of insurance	the period shown in the Policy Schedule.
Policy	includes this Policy wording, the Policy Schedule and any future documents issued to you which amend the Policy wording or Policy Schedule.
Policy Schedule	the schedule of insurance, or any future renewal schedule, or endorsement schedule.
Senior Counsel	a person entitled to use the letters 'QC' or 'SC' in any one (1) or more superior court in Australia or New Zealand.
We, us, our	QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.
You, your	the person(s), companies or firms named on the current Policy Schedule as the 'Insured'.

Broadform liability section

This section only forms part of your Policy when the 'Broadform liability' section is shown in your Policy Schedule as applying.

1. Definitions

Wherever the following words or terms are used in this section of the Policy, their meaning will be as set out below:

Word or term	Meaning
1.1 Advertising liability or advertisement	<p>liability arising out of one (1) or more of the following:</p> <ul style="list-style-type: none"> (a) defamation except arising out of defamatory statements or disparaging material made or produced prior to the inception date of this Policy or made at your direction with your knowledge of the falsity of the statement or material, (b) infringement of copyright, title or slogan, (c) unfair competition, misappropriation of advertising ideas or style of doing business, (d) invasion of privacy committed or alleged to have been committed in any advertisement and arising out of any advertising activities conducted by you or on your behalf, in the course of carrying out your business. <p>For the purposes of this definition, advertisement means any manner of communication given to the public including by way of any form of print media, publication, telecommunication, radio or television broadcast, electronic mail, Internet, world wide web or exhibit.</p>
1.2 Aircraft	any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.
1.3 Business	the business described in the Policy Schedule including the provision and management of canteens, social, sports and welfare organisations for the benefit of your employees, first aid, fire and ambulance services (formed with your consent) and the maintenance of your premises.
1.4 Compensation	<p>monies paid or agreed to be paid by judgement, award or settlement for personal injury, property damage and/or advertising liability.</p> <p>Provided that compensation is only payable in respect of an occurrence to which this Policy applies.</p>
1.5 Employee	any person or persons engaged by you under a contract of service or apprenticeship, but does not include any person employed under such contract who is excluded from the definition of worker under any workers' compensation legislation.

Word or term	Meaning
1.6 Employment practices	any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination directly or indirectly related to employment or prospective employment of any person or persons by you.
1.7 Hovercraft	any vessel, craft or thing made or intended to transport persons or property over land or water supported on a cushion of air.
1.8 Incidental contracts	<p>(a) any written rental agreement or lease of real or personal property not requiring an obligation to insure such property or be strictly liable regardless of fault,</p> <p>(b) any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities,</p> <p>(c) any written contract with any railway authority for the loading, unloading and/or transport of products, including contracts relating to the operation of railway sidings.</p>
1.9 Limit of liability	the applicable limit of liability specified in the Policy Schedule.
1.10 Medical persons	qualified medical practitioners, nurses, dentists and first aid attendants.
1.11 Occurrence	<p>an event which results in personal injury or property damage or advertising liability, neither expected nor intended from your standpoint. All personal injury or property damage or advertising liability arising out of continuous or repeated exposure to substantially the same general conditions will be construed as arising out of one (1) occurrence.</p> <p>With regards to advertising liability, all liability arising out of the same injurious material or act regardless of the number or kind of media used, the frequency or repetition thereof and number of claimants will be deemed to be one (1) occurrence.</p>
1.12 Personal injury	(a) bodily injury (and this expression includes death and illness), disability, shock, fright, mental anguish, mental injury. In the event of any claims, for personal injury arising from latent injury, latent disease or latent sickness, each claim will be deemed to have first happened on the day such injury, disease or sickness was first medically diagnosed provided that such diagnosis first occurred during the period of insurance,

Word or term	Meaning
	<p>(b) the effects of false arrest, wrongful detention, false imprisonment or malicious prosecution,</p> <p>(c) the effects of wrongful entry or eviction,</p> <p>(d) the effects of the publication or utterance of defamatory or disparaging material,</p> <p>(e) the effects of assault and battery not committed by you or at your direction unless reasonably committed for the purpose of preventing or eliminating danger to persons or property.</p>
1.13 Pollutants	any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
1.14 Products	any goods, products and property (after they have ceased to be in your possession or under your control), which are or is deemed to have been manufactured, grown, extracted, produced, processed, constructed, assembled, erected, installed, repaired, serviced, treated, sold, supplied or distributed by you (including any container thereof other than a vehicle).
1.15 Property damage	<p>(a) physical damage to or physical loss or physical destruction of tangible property including any resulting loss of use of that property,</p> <p>(b) loss of use of tangible property which has not been physically damaged, lost or destroyed provided such loss of use is caused by an occurrence.</p>
1.16 Subsidiary	<p>(a) any entity which by virtue of any applicable legislation or law is deemed to be your subsidiary (where you are a company),</p> <p>(b) any entity over which you (where you are a company) are in a position to exercise effective direction or control.</p>
1.17 Territorial limits	anywhere in the world subject to Exclusion 3.19 – Territorial limits.
1.18 Tool of trade	a vehicle which has a tool or plant forming part of, attached to, or used in connection with it while such tool or plant is engaged on a work site. Tool of trade does not include any vehicle whilst travelling to or from a work site, or vehicles that are used to carry goods to or from any premises.
1.19 Vehicle	any type of machine on wheels or self laid track made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.

Word or term	Meaning
1.20 Watercraft	any vessel, craft or thing made or intended to float on or in or travel on or through or under water.
1.21 You, your, insured	<p>(a) the person(s), companies or firm(s) named on the Policy Schedule as the insured,</p> <p>(b) all the subsidiary companies (now, previously or subsequently constituted) of the insured named on the Policy Schedule, provided their places of incorporation are within Australia,</p> <p>(c) every director, executive officer, employee, volunteer, work experience student, partner or shareholder of the parties shown in definition 1.21 (a) and 1.21 (b), but only while acting within the scope of their duties in such capacity,</p> <p>(d) every principal, in respect of that principal's vicarious liability for the acts or omissions of the parties shown in definition 1.21 (a) and 1.21 (b) in the performance by them of work for that principal, but subject always to the extent of coverage and the limit of liability provided by this Policy,</p> <p>(e) each partner, joint venture partner, co-venturer or joint leasee of the parties shown in definition 1.21 (a) and 1.21 (b) but only:</p> <p>(i) where you assume active control of, or are required to arrange insurance for the partnership, joint venture, co-venture or joint lease;</p> <p>(ii) with respect to liability incurred as the partnership, joint venture, co-venture or joint lease;</p> <p>(f) every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with your consent (other than the parties shown in definition 1.21 (d) or 1.21 (e)) in respect of claims arising from their duties connected with the activities of any such club, organisation or service,</p> <p>(g) any director or senior executive of the parties shown in definition 1.21 (a) and 1.21 (b) in respect of private work undertaken by your employees for such director or senior executive.</p> <p>'You, your, insured' does not include the interest of any other person other than as described in this definition.</p>

2. Cover

2.1 Liability

We will cover your legal liability to pay:

- (a) all sums by way of compensation, and
- (b) all costs awarded against you, in respect of:
 - (i) personal injury;
 - (ii) property damage;
 - (iii) advertising liability;

first happening during the period of insurance and caused by an occurrence within the territorial limits in connection with your business.

2.2 Defence of claims

If we agree to cover you we will:

- (a) defend in your name and on your behalf any claim or legal action against you seeking damages for personal injury, property damage or advertising liability even if the action is groundless, false or fraudulent, and we will investigate, negotiate and settle any claim or legal action as we see fit,
- (b) pay all legal costs and expenses incurred by us and all interest accruing after entry of judgement until we have paid, tendered or deposited in court such part of the judgement as does not exceed the limit of liability,
- (c) reimburse you for all reasonable expenses, other than loss of earnings, incurred by you with our consent in connection with the defence of a claim or legal action,
- (d) pay reasonable expenses incurred by you for first aid to others at the time of a personal injury caused by an occurrence, (other than medical expenses prohibited by law).

We will do this, provided that:

- (e) we will not be obliged to pay any claim or judgement or to defend any claim or legal action after the limit of liability has been exhausted by payment of judgements or settlements,
- (f) if a payment exceeding the limit of liability has to be made to dispose of a claim, our liability to pay any costs, expenses and interest under this clause 2.2. 'Defence of claims' (a) to (d) will be limited to that proportion of those costs, expenses and interest as the limit of liability bears to the amount paid to dispose of the claim.

Any amount we pay, other than payments in settlement of claims, suits and all costs awarded against you, are payable over and above the limit of liability set out in the Policy Schedule.

2.3 Limit of liability

Our maximum liability in respect of any claim or any series of claims for personal injury, property damage or advertising liability caused by or arising out of one (1) occurrence will not exceed the limit of liability shown on the Policy Schedule.

Our total aggregate liability during any one (1) period of insurance for all claims arising out of your products will not exceed the limit of liability shown on your Policy Schedule.

3. Exclusions

The following exclusions will apply to this section of the Policy.

This Policy does not cover liability in respect of:

3.1 Advertising liability

- (a) resulting from statements made at your direction with knowledge that such statements are false,
- (b) resulting from failure of performance of contract. Provided that this exclusion 3.1 (b) will not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract,
- (c) resulting from any incorrect description of products or services,
- (d) resulting from any mistake in advertised price of products or services,
- (e) failure of your products or services to conform with advertised performance, quality, fitness or durability,
- (f) liability incurred by you if your business is advertising, broadcasting, publishing or telecasting.

3.2 Aircraft, aircraft products, watercraft and hovercraft

Claims arising out of:

- (a) the ownership, maintenance, operation or use by you or on your behalf of any aircraft,
- (b) the ownership, operation or use by you or on your behalf of:
 - (i) any watercraft exceeding ten (10) metres in length, except where such watercraft are owned and operated by others and used by you for business entertainment;
 - (ii) hovercraft;
- (c) your products that are aircraft or aircraft component parts used for maintaining an aircraft in flight or moving upon the ground or used in the construction of an aircraft hull or machinery which to your knowledge are incorporated in an aircraft.

3.3 Asbestos

Claims directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

3.4 Assault and battery

Personal injury or property damage caused by or arising from assault and battery committed by you or at your direction.

Provided that this exclusion 3.4 does not apply to 'You, your, insured' definition 1.21 (a), 1.21 (b) and 1.21 (f) where reasonably necessary for the protection of persons or property.

3.5 Contractual liability

Any obligation assumed by you under any contract or agreement that requires you to:

- (a) effect insurance over property, either real or personal,
- (b) assume liability for, personal injury, property damage or advertising liability regardless of fault.

Provided that this exclusion 3.5 will not apply with regard to:

- (c) liabilities which would have been implied by law in the absence of such contract or agreement,
- (d) liabilities assumed under incidental contracts,
- (e) terms regarding merchantability, quality, fitness or care of your products which are implied by law or statute,

- (f) the obligation is assumed under those agreements specified in the Policy Schedule.

3.6 Defamation

For defamation:

- (a) made prior to the commencement of the period of insurance,
- (b) made by you or at your direction with knowledge of its falsity.

3.7 Employment liability

- (a) personal injury to any of your employees arising out of, or in the course of their employment in your business,
- (b) personal injury to any person who is deemed to be your employee pursuant to any legislation relating to Workers' Compensation,
- (c) which you are entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any legislation relating to Workers' Compensation, whether or not you are a party to such policy of insurance,
- (d) the provisions of any Workers' Compensation legislation or any industrial award or agreement or determination,
- (e) employment practices.

3.8 Faulty workmanship

The cost of performing, correcting, improving or replacing any work undertaken by you or on your behalf.

3.9 Fines, penalties, liquidated damages

Fines, penalties and/or liquidated damages.

3.10 Loss of use

Loss of use of tangible property which has not been physically injured, or physically lost or physically destroyed resulting from:

- (a) a delay in or lack of performance by you or on your behalf of any agreement,
- (b) the failure of your products to meet the level of performance, quality, fitness or durability expressed or implied, or warranted or represented by you. Provided that this exclusion 3.10 (b) does not apply to the loss of use of other tangible property resulting from the sudden unintended and unexpected physical damage to or loss or destruction of your products after they have been put to use by any person or organisation other than you as specified within definition 1.21 (a) and 1.21 (b) 'You, your, insured'.

3.11 Participation

Personal injury to any person caused by or arising out of the participation of such person in any game, match, race, practice, trial, training, competition, warm ups, warm downs and other preliminary activities unless such personal injury is as a result of your negligence in regard to the facility provided.

3.12 Pollution

- (a) Personal injury or property damage directly or indirectly caused by or arising out of the discharge, dispersal, release, seepage, migration or escape of pollutants into or upon land, the atmosphere, or any water course or body of water. Provided that this exclusion 3.12 (a) does not apply if the discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place and which occurs outside of the United States of America or Canada,
- (b) any costs and expenses incurred in the prevention, removing, nullifying or clean-up of such contamination or pollution. Provided that this exclusion 3.12 (b) does not apply to clean-up, removal or nullifying expenses only, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in personal injury and/or property damage and which occurs outside of the United States of America or Canada,
- (c) the actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of pollutants caused by your product that has been discarded, dumped, abandoned or thrown away by you or on your behalf.

Our liability under exclusion 3.12 (a) and 3.12 (b) in respect of any one (1) discharge, dispersal, release, seepage, migration or escape and for all discharges, dispersals, releases, and escape of pollutants during any one (1) period of insurance will not exceed the limit of liability.

3.13 Product defect

Property damage to your products if the damage is resultant from any defect in them or to their harmful nature or unsuitability.

3.14 Product recall

Claims arising out of or resulting from any loss, cost or expense incurred by you for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of your products or of any property of which they form a part, if such products or property are withdrawn from the market or from use because of any known or suspected defect, deficiency, inadequacy or dangerous condition in them.

3.15 Professional liability

The rendering of or failure to render professional advice or service by you or any related error or omission, provided that exclusion 3.15 will not apply to:

- (a) personal injury and/or property damage arising from such rendering of or failure to render professional advice or service, providing such professional advice or service is given for no fee,
- (b) medical advice by medical persons employed by you to provide first aid and other medical services on your premises providing your business is not involved in the provision of medical services.

3.16 Property in custody or control

Property damage to:

- (a) property owned by or leased or rented to you,
- (b) property in your physical or legal control. Provided that this exclusion 3.16 does not apply to liability for property damage to:
- (c) premises (including landlord's fixtures and fittings), which are leased or rented to you,
- (d) premises (or their contents) not owned, leased or rented by you but temporarily occupied by you for work therein,
- (e) vehicles (not belonging to or used by you) in your physical

or legal control where the property damage occurs while the vehicles are in a car park owned or operated by you, unless you own or operate the car park for reward,

- (f) the property of an employee, or of the parties shown in definition 1.21 (a) and 1.21 (b) 'You', your, insured',
- (g) other property temporarily in your physical or legal control provided no indemnity is granted for liability in respect of physical damage to, or destruction of that part of any property upon which you are or have been working on subject to a maximum indemnity of \$100,000 or the amount stated on your Policy Schedule for any one (1) occurrence and in the aggregate for any one (1) period of insurance,
- (h) other property temporarily in your physical or legal control whilst in transit in or on any vehicle subject to a limit of liability not exceeding \$5,000 for any one (1) occurrence and in the aggregate during any one (1) period of insurance.

Provided that there will be no cover under this exclusion 3.16 in respect of liability assumed by you under any contract or agreement which requires you to effect material damage insurance on premises, property or goods which you do not own.

3.17 Punitive damages

Punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

3.18 Sexual molestation

Claims arising from, contributed to by, or in connection with sexual and/or child assault, abuse, molestation or attempt thereof. Furthermore, we will not indemnify you for 'Defence of claim' 2.2 as detailed in this Policy.

3.19 Territorial limits

- (a) claims made or actions instituted within any Country, State or Territory (outside Australia) where the laws of that Country, State or Territory require insurance to be effected or secured with an insurer or organisation licensed in that Country, State or Territory to grant such insurance,
- (b) claims made and actions instituted within the United States of America or Canada or any other Territory coming within the jurisdiction of the courts of the United States of America or Canada,
- (c) claims and actions to which the laws of the United States of America or Canada apply.

Provided that exclusion 3.19 (b) and 3.19 (c) do not apply to:

- (d) claims and actions arising from the presence outside Australia of any of your employees and/or directors or partners who are normally resident in Australia and who are not undertaking manual work or supervision work of any kind while in the United States of America or Canada,
- (e) claims for personal injury, property damage or advertising liability caused by or arising out of your products not knowingly exported by you or on your behalf to the United States of America or Canada.

The limit of liability in respect of coverage provided under exclusion 3.19 (d) and 3.19 (e) is inclusive of all costs, expenses and interest as set out in clause 2.2 'Defence of claims' of this Policy.

3.20 Tobacco

Personal injury arising directly or indirectly out of or due to the inhalation or ingestion of, or exposure to:

- (a) tobacco or tobacco smoke,
- (b) any ingredient or additive present in any articles, items or goods which contain or include tobacco.

3.21 Vehicles

Personal injury or property damage arising out of the ownership, possession, operation, or use by you or on your behalf of any vehicle:

- (a) which is registered or which is required under any legislation to be registered,
- (b) in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance is effected).
Exclusion 3.21 (a) and 3.21 (b) do not apply to:
- (c) personal injury where that compulsory liability insurance or statutory indemnity does not provide indemnity and the reason or reasons why that compulsory liability insurance or statutory indemnity does not provide indemnity does not involve a breach by you of legislation relating to vehicles,
- (d) property damage arising out of and during the loading or unloading of goods to or from any vehicle,
- (e) property damage caused by or arising from the operation or use of any vehicle which is designed primarily for lifting, lowering, loading, unloading, while being operated or used by you or on your behalf within the confines of your premises,
- (f) property damage caused by or arising out of the use of:
 - (i) any vehicle whilst being used as a tool of trade;
 - (ii) plant forming part of your vehicle being used as a tool operating at any work site;
but excluding property damage caused by or arising whilst the vehicle is transporting or carting goods.

4. Conditions

These conditions apply to this section of this Policy.

If you do not comply with any of the conditions relevant to a claim, we may:

- (a) refuse a claim;
- (b) reduce an amount payable to you;
- (c) exercise any remedy available to us at law or which is set out in any condition.

4.1 Acquisition of properties or companies

The cover granted by this Policy extends to properties, assets, companies, firms, entities or other bodies:

- (a) formed or acquired by you or for which you assume management responsibility during the period of insurance,
- (b) which undertake activities consistent with the description of the business in the Policy Schedule subject to disclosure to us prior to any new acquisition which represents more than 15% of the current group turnover, in which event we may seek revised terms including but not limited to payment of additional premium. You are not obliged to accept such terms, but if you do not, that new acquisition will not be covered by this Policy.
Provided that:
- (c) no indemnity will be granted in respect of claims for personal injury, property damage or advertising liability which first happened prior to the date of such acquisition,

formation or assumption of management responsibility.

4.2 Adjustment of premium

Where the Policy Schedule shows premium for the Policy has wholly or partly been calculated on estimates you must, within thirty (30) days after the expiry of each period of insurance, provide to us such matters, particulars and information relevant to the Policy as we may reasonably require. The premium for the period of insurance will then be adjusted and any difference paid by or allowed to you, as the case may be, provided that the adjusted premium will not be less than any minimum premium specified in the Policy Schedule.

You must keep a record of all matters, particulars and information requested by us and must on reasonable notice allow us or our nominee to inspect and make copies of those records.

4.3 Changes to information previously advised

You must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of personal injury, property damage or advertising liability.

You must tell us immediately, in writing, of every change that comes to your knowledge which materially varies any of the facts or circumstances existing at the commencement of this Policy. We may at our discretion, for what we consider to be an increase of risk:

- (a) charge additional premium,
- (b) amend or impose additional terms or conditions,
- (c) cancel the Policy.

4.4 Cross liability

Where more than one (1) party comprises the insured, each of the parties will be considered as a separate and distinct unit and the words 'You', 'Your' or 'Insured' will be considered as applying to each party in the same manner as if a separate Policy had been issued to each of them. Provided that nothing in this general condition 4.4 will result in an increase of our limit of liability in respect of any occurrence or period of insurance.

4.5. Discharge of liabilities

At any time we can pay to you or on your behalf, all claims made against you for any one (1) occurrence:

- (a) the limit of liability, after deducting any amounts already paid,
- (b) any lower sum for which the claim may be settled.
If we do so:
- (c) the conduct of any outstanding claim(s) will become your responsibility, and
- (d) we will not be liable to pay any further amounts in relation to that occurrence other than costs, charges, or expenses that we agreed to pay before or when we made the payment referred to in this general condition 4.5 (a) and 4.5 (b).

4.6. Inspection of property

- (a) We will be permitted but not obligated to inspect your property and operations at any time.
- (b) Neither our right to inspect nor our failure to inspect nor the making of any inspection nor any report of an inspection may be used by you or others in any action or proceeding involving us.
- (c) We may examine and audit your books and records at any time during the period of insurance and within three (3) years thereafter but that examination and audit will be restricted to matters which in our opinion are relevant to the Policy.

4.7 Jurisdiction

All disputes arising out of or under this Policy will be subject to determination by any court of competent jurisdiction within Australia.

4.8 Reasonable care

You must:

- (a) exercise reasonable care that only competent employees are employed and take reasonable measures to maintain all premises, fittings and plant in sound condition,
- (b) take all reasonable precautions to prevent personal injury, property damage or advertising liability, and prevent the manufacture, sale or supply of defective product(s), and
- (c) comply with and ensure that your employees, contractors, employees of labour hire organisations utilised by you, servants and agents comply with all statutory obligations, by-laws or regulations imposed by all relevant public authorities for the:
 - (i) safety of persons or property;
 - (ii) disposal of waste products;
 - (iii) handling, storage or use of flammable liquids or substances, gases or toxic chemicals;
- (d) at your own expense take reasonable action to trace, recall or modify any of your products containing any defect or deficiency of which you have knowledge or have reason to suspect, including (but not limited to), any of your products subject to governmental or statutory ban.

4.9 Subrogation

We may prosecute in your name for damages or otherwise. We may do this before or after we have paid your claim and whether or not you have been fully compensated for your actual loss. You must execute and deliver instruments and papers and do everything that is necessary to assist us in the exercise of those rights.

5. Optional extensions, where indicated on the Policy Schedule as applying

5.1 Consumer protection cover for Queensland electricians

This optional extension is only to apply in respect of electrical work performed in Queensland, and only when indicated in your Policy Schedule as applying.

Definitions applying to this optional extension only

Word or term	Meaning
Broadform products liability	the Policy of insurance covering an occurrence which caused personal injury to a third party, or any loss or damage to the property of a third party other than the work itself, directly or indirectly arising from the activities as an electrical contractor directly or indirectly arising from the products or activities.
The certificate of test	the certificate required under Section 26 of the <i>Electrical Safety Regulation 2013</i> (Qld).
Completed electrical work	<ul style="list-style-type: none"> (a) electrical work for which the electrical contractor has issued a certificate of test, or (b) work the electrical contractor has connected to supply.
Consumer protection	<p>any consequential financial loss reasonably incurred by the building owner as a result of any defects or non completion of the electrical work (as described in this optional extension) including but not limited to:</p> <ul style="list-style-type: none"> (a) any loss of any deposit or progress payments or any part of progress payments, (b) the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred, and (c) non completion of electrical work due to: <ul style="list-style-type: none"> (i) the death or legal incapacity of the electrical contractor; (ii) the disappearance of the electrical contractor; (iii) the electrical contractor becoming insolvent under administration; (iv) the cancellation or suspension of the electrical contractor's licence under the <i>Electrical Safety Regulation 2013</i> (Qld); (v) the early termination of the contract by the building owner as a result of the electrical contractor's wrongful failure or refusal to complete the electrical work.
Contract	a written agreement to carry out electrical work and includes a domestic building contract or other building contract that includes electrical work.

Word or term	Meaning
Defects in domestic electrical work	<p>(a) a failure to carry out electrical work consistent with current electricity legislation, industry practices and standards and in accordance with any plans and specifications set out in the contract,</p> <p>(b) a failure to use materials in the electrical work that are good and suitable for the purpose for which they are used,</p> <p>(c) the use of materials in the electrical work that are not new unless the contract expressly permits the use of materials that are not new,</p> <p>(d) a failure to carry out the electrical work in accordance with and in compliance with all laws and legal requirements or any applicable Australian or other relevant standard or code of practice including, without limiting, the generality of this paragraph, the <i>Electrical Safety Act 2002</i> (Qld) with any amendments and regulations made under that Act,</p> <p>(e) a failure to carry out electrical work with due care or skill and in the case of domestic electrical work a failure to complete the electrical work:</p> <p>(i) by the date or within the period specified by the contract;</p> <p>(ii) within a reasonable time if no date or period is specified;</p> <p>(f) if the contract states the particular purpose for which the electrical work is required or the result which the building owner wishes the work to achieve so as to show that the building owner relies on the electrical contractor's skill and judgement, a failure to ensure that the electrical work and any materials used in carrying out the electrical work:</p> <p>(i) are fit for the purpose;</p> <p>(ii) are of such a nature and quality that they will achieve that result;</p> <p>(g) a failure to maintain a standard or quality of electrical work specified in the contract,</p> <p>(h) a reference to any material in sub-clause (c), (d) or (g), does not include any material that is supplied by the building owner or the owner's agent.</p>
Disappearance	cannot be found after due search and enquiry.
Domestic dwelling	<p>any residential premises but other than:</p> <p>(a) any residence that is not intended for permanent habitation, or</p> <p>(b) a rooming house, or</p>

Word or term	Meaning
	<p>(c) a motel, residential club, residential hotel, or residential part of licensed premises, or</p> <p>(d) a nursing home, hospital, or accommodation associated with a hospital, or</p> <p>(e) the common areas under the control of the body corporate in residential villas, townhouses, duplex, triplex, quadruplex or home units which make up the body corporate, or</p> <p>(f) any watercraft.</p>
Domestic electrical work	work for a domestic dwelling proprietor or for individual proprietors of single domestic dwellings forming part of residential villas, townhouses, duplex, triplex, quadruplex or home units.
Electrical work	as defined in the <i>Electrical Safety Regulation 2013</i> (Qld).
Insolvent under administration	<p>a person who is bankrupt in respect of a bankruptcy from which the person has not been discharged and includes a person:</p> <p>(a) who has executed a deed of arrangement under Part X of the <i>Bankruptcy Act 1966</i> (Cth), (or the corresponding provisions of the law of another jurisdiction) where the terms of the deed have not been fully complied with, and</p> <p>(b) whose creditors have accepted a composition under Part X of the <i>Bankruptcy Act 1966</i> (Cth), (or the corresponding provisions of the law of another jurisdiction) where a final payment has not been made under that composition.</p>
Limit of liability	the limit of liability that is shown in the Policy Schedule and this Policy wording.
Trade practices liability	any liability that arises as a result of conduct by the electrical contractor that contravenes the <i>Competition and Consumer Act 2010</i> (Cth) other than any fine or penalty imposed by such contravention.

Cover

In our 'Broadform liability' section you will find cover for public liability and products liability. In this optional extension you will find cover for:

1. Defects in electrical works.
2. Trade practices liability.
3. Liability arising from the testing of your own work and the work of others.
4. Resultant personal injury, property damage or loss arising from incorrect advice or design.
5. Non-completion of domestic electrical work.
6. Consumer protection.

Limit of liability

Our liability under this optional extension is limited to:

- (a) in respect of trade practices liability the maximum amount we will pay is the cost of rectifying the relevant electrical work,
- (b) for all other liability referred to in covers 1, 3, 4, 5 and 6 the maximum amount we will pay is:
 - (i) \$50,000 per any one (1) claim or service of claim in relation to a certificate of test or if the certificate of test relates to more than one (1) home,
 - (ii) \$50,000 in respect of each domestic installation,
- (c) for the reasonable legal costs and expenses associated with successful enforcement of a claim against you or us.

Exclusions applicable to this optional extension

1. We do not cover you for any loss, damage or liability
 - (a) resulting from a product defect provided that:
 - (i) we bear the onus of establishing that the claim (or part of a claim) is based on a product defect; and
 - (ii) we agree that nothing in this exclusion removes the cover given to you by this optional extension in relation to you supplying or using any appliance, material, substance or other thing that you were aware was defective, or that you should reasonably be aware was defective;
 - (b) resulting from:
 - (i) fair wear and tear or depreciation of electrical work; or
 - (ii) a failure by the building owner to reasonably maintain the electrical work;
2. for consequential financial loss resulting from non-domestic electrical work,
3. directly or indirectly caused by, contributed to, or arising from exposure to asbestos,
4. we do not cover you in respect of all legal costs of any person making a claim against you that are not directly or indirectly related to:
 - (a) the enforcement of this Policy; or
 - (b) a liability in respect of which you are covered under this Policy;
5. we do not cover you for claims for liquidated damage for delay or damages for delay that may arise under contract provided that this exclusion does not apply to increases in rectification costs caused by a delay.

Conditions applicable to this optional extension

If you do not comply with any of the conditions relevant to a claim, we may:

- (a) refuse a claim;
- (b) reduce an amount payable to you;
- (c) exercise any remedy available to us at law or which is set out in any condition.

1. Period that insurance must cover

- (a) For the liabilities referred to in covers 1, 2 and 4 of this optional extension, you are only covered in respect of electrical work of which a certificate of test is required from the time you agree to carry out that work until:
 - (i) seven (7) years after you last issued the compliance certificate in relation to that work; or

- (ii) if you did not issue a compliance certificate in relation to the work, seven (7) years after you stopped carrying out that work.

- (b) You are covered in respect of electrical work for which a compliance certificate is required for completed work liability that arises from personal injury to a third party, or loss or damage to the property of a third party (other than property that is part of the electrical work itself) that occurs during the period of insurance caused by an occurrence that happens in connection with the carrying out of the electrical work, (regardless of when the electrical work was carried out).

The cover provided in covers 1, 2 and 4 of this optional extension continues to apply throughout the relevant period specified in condition 1(a) of this optional extension even if you cease to be a licensed or registered electrician before the end of that period and even if you cease to maintain this Policy.

2. Insurer to comply with court orders, etc.

We agree to comply with any order made against you by a court, the disputes or any other competent judicial body, in respect of any liability for which you are indemnified under this Policy, (including any excess that you may be obliged to pay to us).

3. Limitation for common property

- (a) This clause applies if a claim is paid by us in relation to the common property of a building or complex or multiple homes and the property in which the building or complex stands, and on which electrical work is carried out, is subject to a subdivision.
- (b) We will reduce the amount we pay under this Policy in respect of any one (1) home in the building or complex by an amount calculated by dividing the amount of the claim paid by us by the number of homes in the building or complex.

4. Limitation concerning non-completion of work

If you fail to complete electrical work for any reason, then this Policy does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.

5. Deemed acceptance of claims

- (a) This clause only applies in relation to domestic electrical work.
- (b) This clause does not apply in relation to completed electrical works liability.
- (c) We agree to accept liability for a claim if we do not notify the person making the claim within ninety (90) days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing or from the disputes tribunal.

6. Ministerial Order to prevail in the case of conflict with this Policy

We agree that if any term of this Policy conflicts, or is inconsistent with the Electrical Contractors Insurance Requirements which outlines the requirements for electrical contractors insurance required under Section 51 of the *Electrical Safety Regulation 2013* (Qld), then this Policy is to be read and to be enforceable as if it complied with that document.

7. Claims not to be refused on the grounds that Policy obtained by fraud, etc.

- (a) This clause only applies in relation to domestic electrical work.
- (b) We agree that we will not refuse to pay a claim (other than a claim in respect of completed electrical works liability) under this Policy on the ground that this Policy was obtained by misrepresentation, fraud or non-disclosure by you or anyone acting on your behalf.
- (c) You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.

8. Insurer must give effect to certificates

- (a) This clause only applies in relation to domestic electrical work.
- (b) If we give you a certificate stating that you are covered by insurance, we agree that we will not refuse to pay a claim on that insurance (other than a claim in respect of completed electrical works liability) under this Policy on the ground that you have not paid the premium for the insurance.
- (c) You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.

9. Deemed notice of defects in domestic electrical work

We agree that if a person gives notice of defects in writing to you or us, that person is to be taken for the purposes of this Policy, to have given notice of all defects of which the defect notified are directly or indirectly related, whether or not the claim in respect of the defects that were actually notified has been settled.

10. Claimant may enforce this Policy directly in certain cases

We and you both agree:

- (a) that a person who is entitled to claim against you in respect of any liability for which you are indemnified under this Policy may enforce this Policy directly against us for the person's own benefit if:
 - (i) any event listed in cover 4 of this optional extension occurs; or
 - (ii) you refuse to make a claim against us; or
 - (iii) there is an irretrievable breakdown of communication between you and us; and
- (b) that for the purpose of such enforcement the person has the same rights and entitlements as you would have had under any legislation applicable to you, and
- (c) that we will pay to the person the full amount of any liability for which you are indemnified under this Policy despite any failure by you to pay any excess that you are required to pay.

11. Section 54 of the *Insurance Contracts Act 1984* (Cth) to apply

- (a) We acknowledge that Section 54 of the *Insurance Contracts Act 1984* (Cth) applies to this Policy,
- (b) despite condition 11(a), we agree that we will not rely on Section 54 to reduce our liability under this Policy or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:

- (i) the person who makes the claim notifies you, either orally or in writing; or

- (ii) that person or you notifies us in writing within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to the claim.

12. Notification concerning claims settled

We and you both agree that we will notify the Electrical Licensing Board in writing in the manner required by the Electrical Licensing Board of the settling of payment of any claim under this Policy.

13. Conflicting provisions

- (a) Nothing in this optional extension should be read as limiting indemnity under this optional extension with respect of any defect as a result of any error in design, specification formula or pattern or the provision of advice that is incidental to any electrical work undertaken by the electrician.
- (b) To the extent that condition 13(a) is in conflict with any other provision in this optional extension, condition 13(a) will prevail.

14. Excess

You are liable to pay us in respect of each claim paid by us under this Policy the amount paid by us or the amount specified in the Policy Schedule as the excess. Provided you are not liable to pay an excess more than once in relation to any claim comprising more than one (1) defect or two (2) or more claims that relate to the same defect.

15. You must co-operate with us

- (a) You agree, in relation to a claim or prospective claim:
 - (i) to make reasonable efforts to assist and inform us or our agent; and
 - (ii) to attend the relevant building site for the purpose of inspecting, rectifying or completing electrical work, (unless the building owner refuses you access to the site).
- (b) We may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the building owner to give you access to a building site if we have asked you to attend the site.

16. Provision concerning cancellation

We agree that the cancellation of this Policy:

- (a) will only take effect thirty (30) days after we give both the Electrical Licensing Board and you notice in writing of the cancellation, and
- (b) has no effect on any of our obligations under this Policy with respect to the liabilities referred to in covers 1, 2 and 4 of this optional extension in relation to electrical work that was carried out while this Policy was in force, and
- (c) has no effect on any of our obligations under this Policy with respect to the liabilities referred to in covers 3 and 4 of this optional extension in relation to any personal injury to a third party or loss or damage to the property of a third party (other than property that is part of the electrical work itself) that occurred while this Policy was in force.

5.2 Victorian plumbers liability

This optional extension is only to apply in respect of plumbing work performed in Victoria, and only when indicated in your Policy Schedule as applying.

Definitions applicable to this optional extension only

Any word or expression which this optional extension defines as having a particular meaning will have the meaning everywhere it appears in this optional extension.

Word or term	Meaning
Australian Consumer Law	Schedule 2 of the <i>Competition and Consumer Act 2010</i> (Cth) or its successor.
Building owner	the person for whom plumbing work has been, is being, or is about to be, carried out and includes: <ul style="list-style-type: none"> (a) any occupier of the land, building or home where the plumbing work is carried out, and (b) any person who is the owner for the time being of that land, building or home, and (c) if the plumbing work is carried out on land in a plan of subdivision containing common property, the body corporate for that land or a building on that land, and (d) any assignee of the building owner's rights under a contract, and (e) any person who has contracted with another person to provide the plumbing work.
Completed work liability	any liability that arises as a result of any personal injury to a third party, or loss or damage to the property of a third party (other than property that is part of the plumbing work itself), directly or indirectly related to or arising from the plumbing work: <ul style="list-style-type: none"> (a) after the issue of the compliance certificate for the plumbing work, or (b) if you do not issue a compliance certificate for the plumbing work, plumbing work which you carried out but only after you stopped carrying out that work.
Compliance certificate	a certificate referred to in section 221ZH of the <i>Building Act 1993</i> (Vic).
Contract	a contract to carry out plumbing work and includes a domestic building contract or other building contract that includes plumbing work.
Defect	in relation to plumbing work includes: <ul style="list-style-type: none"> (a) a failure to carry out the plumbing work in a proper and workmanlike manner and in accordance with any plans and specifications set out in the contract, (b) a failure to use materials in the

Word or term	Meaning
	<p>plumbing work that are good and suitable for the purpose for which they are used,</p> <ul style="list-style-type: none"> (c) the use of materials in the plumbing work that are not new, (unless the contract permits use of materials that are not new), (d) a failure to carry out the plumbing work in accordance with, and in compliance with, all laws and legal requirements including, without limiting the generality of this clause, the <i>Building Act 1993</i> (Vic) and any regulations made under that Act, (e) a failure to carry out the plumbing work with reasonable care and skill and, in the case of domestic plumbing work, a failure to complete the work: <ul style="list-style-type: none"> (i) by the date (or within the period) specified by the contract; or (ii) within a reasonable time, if no date (or period) is specified; (f) if the contract states the particular purpose for which the plumbing work is required, or the result which the building owner wishes the plumbing work to achieve, so as to show that the building owner relies on your skill and judgement, a failure to ensure that the plumbing work and any material used in carrying out the plumbing work: <ul style="list-style-type: none"> (i) are reasonably fit for that purpose; or (ii) are of such a nature and quality that they might reasonably be expected to achieve that result; (g) a failure to maintain a standard or quality of plumbing work specified in the contract. <p>A reference to any material in sub-clause (b) or (f) does not include any material that is supplied by the building owner, (or the building owner's agent).</p>
Defects liability	liability to pay for the costs of rectifying any defect in your plumbing work carried out in Victoria.
Disappearance	cannot be found after due search and inquiry.
Domestic plumbing work	plumbing work performed or intended to be performed on or in relation to: <ul style="list-style-type: none"> (a) a home, or (b) any building or structure on land on which a home is or is intended to be situated.

Word or term	Meaning
Home	<p>any residential premises and includes any part of a commercial or industrial premises, that is used as a residential premises, and also includes any house boat that is less than eight (8) metres in length, but does not include:</p> <ul style="list-style-type: none"> (a) any residence that is not intended for permanent habitation, or (b) a rooming house within the meaning of the <i>Residential Tenancies Act 1997</i> (Vic), or (c) a motel, a residential club, a residential hotel or a residential part of licensed premises under the <i>Liquor Control Reform Act 1998</i> (Vic), or (d) a nursing home, a hospital or accommodation associated with a hospital, or (e) any residence that the regulations made under the <i>Domestic Buildings Contracts Act 1995</i> (Vic), state is not a home for the purposes of the definition of 'Home' in that Act.
Insolvent under administration	<p>a person who:</p> <ul style="list-style-type: none"> (a) under the <i>Bankruptcy Act 1966</i> (Cth) or the law of an external Territory, is a bankrupt in respect of a bankruptcy from which the person has not been discharged, or (b) under the law of an external Territory or the law of a foreign country, has the status of an undischarged bankrupt, and includes: (c) a person any of whose property is subject to control under: <ul style="list-style-type: none"> (i) section 50 or Division 2 of Part X of the <i>Bankruptcy Act 1966</i> (Cth); or (ii) corresponding provision of the law of an external Territory or the law of a foreign country; or (d) a person who has executed a personal insolvency agreement under: <ul style="list-style-type: none"> (i) Part X of the <i>Bankruptcy Act 1966</i> (Cth); or (ii) the corresponding provisions of the law of an external Territory or the law of a foreign country; <p>where the terms of the agreement have not been fully complied with.</p>
The Ministerial Order	the Licensed Plumbers General Insurance Order 2002 made under Section 221ZQ and 221ZT of the <i>Building Act 1993</i> (Vic).
Plumbing work	has the same meaning as in Section 221C of the <i>Building Act 1993</i> (Vic)..

Word or term	Meaning
Non-domestic plumbing work	plumbing work that is not domestic plumbing work.
Product defect	a defect in any appliance, material, substance or other thing that was supplied or used by you in connection with plumbing work.
Trade practices liability	any liability for the cost of rectifying any defect in plumbing work carried out in Victoria that arises as a result of conduct by you in connection with the plumbing work that contravenes section 18, 29, 34, 60 or 61 of the <i>Australian Consumer Law</i> or Section 9, 11 or 12 of the <i>Fair Trading Act 1999</i> (Vic).

Coverage

We will cover you under this optional extension for:

1. Defects liability.
2. Trade practices liability.
3. In respect of domestic plumbing work carried out in Victoria any liability arising from:
 - (a) any consequential financial loss reasonably incurred by the building owner as a result of any defects or non-completion of the plumbing work (as described in clause 3(b)), including but not limited to:
 - (i) the loss of any deposit or progress payment (or any part of any deposit or progress payment); and
 - (ii) the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred;
 - (b) non-completion of the plumbing work due to:
 - (i) your death or legal incapacity;
 - (ii) your disappearance;
 - (iii) you becoming an insolvent under administration;
 - (iv) the cancellation or suspension of your licence as a licensed plumber under the *Building Act 1993* (Vic); or
 - (v) the early termination of the contract by the building owner as a result of your wrongful failure or refusal to complete the plumbing work.

The cover provided under clause 3(b) also applies to any contract for both domestic plumbing work and non-domestic plumbing work in which the non-domestic plumbing component does not exceed 20% of the total contract value.

Limit of liability

We will pay up to:

- \$50,000 for any one (1) claim or series of claims in relation to domestic plumbing work for which a compliance certificate is required, (or if a compliance certificate relates to more than one (1) home, an amount not exceeding \$50,000 for each home).
- \$100,000 for any one (1) claim or series of claims in relation to a compliance certificate for non-domestic plumbing work.
- The reasonable cost of rectifying plumbing work under the trade practices liability cover.

The most we will pay under this optional extension in any one (1) period of insurance is \$5,000,000.

Defence of claims

In addition to the limit of liability we also pay the reasonable legal costs and expenses associated with the successful enforcement of a claim against you or us.

However, we will not pay the legal costs of any person making a claim against you that are not directly or indirectly related to:

1. the enforcement of this optional extension, or
2. a liability in respect of which you are covered under this optional extension.
3. Provided that:
4. we will not be obliged to pay any claim or judgement or to defend any claim or legal action after the limit of liability has been exhausted by payment of judgements or settlements,
5. if a payment exceeding the limit of liability has to be made to dispose of a claim, our liability to pay any legal costs and expenses under this clause will be limited to that proportion of those legal costs and expenses as the limit of liability bears to the amount paid to dispose of the claim.

Exclusions applicable to this optional extension

We do not cover you for:

1. Any defects liability resulting from a product defect provided that:
 - (a) we bear the onus of establishing that the claim (or part of the claim) is based on a product defect, and
 - (b) we agree that nothing in this exclusion removes the cover given to you by this optional extension in relation to you supplying or using an appliance, material, substance or other thing that you were unaware was defective or that you should not reasonably have been aware was defective.
2. Any loss, injury or damage resulting from:
 - (a) fair wear, tear or depreciation of plumbing work, or
 - (b) a failure by the building owner to reasonably maintain plumbing work.
3. Any consequential financial loss in relation to non-domestic plumbing work.
4. Claims for liquidated damages for delay, or damages for delay that may arise under a contract, provided that this exclusion does not apply to any increase in rectification costs caused by the delay.

Conditions applicable to this optional extension

If you do not comply with any of the conditions relevant to a claim, we may:

- (a) refuse a claim;

(b) reduce an amount payable to you;

(c) exercise any remedy available to us at law or which is set out in any condition.

1. Period of cover

For defects liability, trade practices liability and liabilities referred to in coverage clause 3 of this optional extension, you are only covered in respect of plumbing work for which a compliance certificate is required from the time you agree to carry out that work until:

- (a) six (6) years after you last issued the compliance certificate in relation to that work, or
- (b) if you did not issue a compliance certificate in relation to the work, six (6) years after you stopped carrying out that work.

The cover provided for defects liability, trade practices liability and liabilities referred to in coverage clause 3 of this optional extension continues to apply throughout the relevant period specified in this clause even if you cease to be a licensed plumber before the end of that period and even if you cease to maintain this optional extension.

2. We will comply with court orders

We agree to comply with any order made against you by a court, the Victorian Civil and Administrative Appeals Tribunal or any other competent judicial body, in respect of any liability for which you are indemnified under this optional extension, (including any excess that you may be obliged to pay to us).

3. Deemed acceptance of claims

This clause only applies in relation to domestic plumbing work. We agree to accept liability for a claim if we do not notify the person making the claim within ninety (90) days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing or from the Victorian Civil and Administrative Appeals Tribunal.

4. Ministerial Order to prevail in the case of conflict

We agree that if any term of this optional extension conflicts, or is inconsistent, with the Ministerial Order, then this optional extension is to be read and to be enforceable as if it complied with that order.

5. Claims not to be refused on the grounds that the Policy obtained by fraud, etc.

This clause only applies in relation to domestic plumbing work. We agree that we will not refuse to pay a claim under this optional extension on the ground that this optional extension was obtained by misrepresentation, fraud or non-disclosure by you or anyone acting on your behalf.

You agree that if we make a payment under this optional extension to, or for the benefit of, any other person under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.

6. We give effect to certificates

This clause only applies in relation to domestic building work. If we give you a certificate stating that you are covered by insurance under this optional extension, we agree that we will not refuse to pay a claim on that insurance on the ground that you have not paid the premium for the insurance.

You agree that if we make a payment under this optional extension to, or for the benefit of, any other person under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.

7. Deemed notice of defects

We agree that if a person gives notice of a defect in writing to you or us, that person is to be taken for the purposes of this optional extension, to have given notice of every defect of which the defect notified is directly or indirectly related, whether or not the claim in respect of the defect that was actually notified has been settled.

8. Claimant may enforce this optional extension direction in certain cases

We and you both agree that:

- (a) a person who is entitled to claim against you in respect of any liability for which you are indemnified under this optional extension may enforce this optional extension directly against us for the person's own benefit if:
 - (i) any event listed in cover 3(b) of this optional extension occurs; or
 - (ii) you refuse to make a claim against us; or
 - (iii) there is an irretrievable breakdown of communication between you and us;
- (b) for the purpose of such enforcement, the person has the same rights and entitlements as you would have had under any legislation applicable to you,
- (c) we will pay to the person the full amount of any liability for which you are indemnified under this optional extension despite any failure by you to pay any deductible that you are required to pay.

9. Section 54 of the *Insurance Contracts Act*

- (a) We acknowledge that Section 54 of the *Insurance Contracts Act 1984* (Cth) applies to this Policy.
- (b) despite sub-clause 9(a), we agree that we will not rely on Section 54 to reduce our liability under this optional extension, or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:
 - (i) the person who makes the claim notifies you either orally or in writing; or
 - (ii) that person or you notifies us in writing; within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to a claim,
- (c) nothing in clause 9(b) restricts the operation of clause 1 of the conditions applicable to this optional extension.

10. Provision concerning cancellation

This clause only applies in relation to domestic building work.

We agree that the cancellation of this Policy:

- (a) will only take effect thirty (30) days after we give both the Plumbing Industry Commission and you notice in writing of the cancellation, and
- (b) has no effect on any of our obligations under the Policy with respect to the liabilities referred to under coverage of this optional extension in relation to plumbing work that was carried out while the optional extension was in force.

11. Notification of claims settled

We and you both agree that we will notify the Plumbing Industry Commission in writing in the manner required by the Minister of the settling or payment of any claim under this optional extension.

12. Limitation for common property

This clause applies if plumbing work is carried out on land in a plan of subdivision containing common property and a claim is paid by us in relation to the common property.

We will reduce the amount we will pay under this optional extension in respect of any one (1) home on land in the plan of subdivision by an amount calculated by dividing the amount of the claim paid by us in relation to the common property by the number of homes on land in the plan of the subdivision.

13. Limitation concerning non-completion of work

If you fail to complete plumbing work for any reason listed in cover clause 3, then this optional extension does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.

14. You must co-operate with us

- (a) You agree in relation to a claim or prospective claim:
 - (i) to make reasonable efforts to assist and inform us or our agent; and
 - (ii) to attend the relevant building site for the purpose of inspecting, rectifying or completing plumbing work, (unless the building owner refuses you access to the site).
- (b) We may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the building owner to give you access to a building site if we asked you to attend the site under clause 14(a)(ii).

Tax audit section

This section only forms part of your Policy when the 'Tax audit' section is shown in your Policy Schedule as applying.

Definitions which apply to this section

Word or term	Meaning
Accountant's fees	fees, charges, expenses and disbursements rendered by any accountant, assessor, consultant, investigator or by any mediator appointed by any alternative dispute resolution centre which are reasonably and properly incurred in relation to any statutory tax audit.
Business	the business of the insured as described in the Policy Schedule, including personal taxation returns of the insured and spouse.
Culpability component	a determination by a relevant statutory authority signifying circumstances consequent to which the insured incurs a culpability component signifying, or which has been imposed on the basis of, reckless or deliberate tax evasion or similar offence by the insured.
Occurrence	any occurrence which may give rise to a statutory tax audit.
Statutory tax audit	<p>an official examination and verification of accounts and records from a relevant statutory body, pursuant to the:</p> <ol style="list-style-type: none"> <i>Income Tax Assessment Act (Australia) 1936</i> (Cth), The <i>Fringe Benefits Tax Assessment Act 1986</i> (Cth) and the <i>Fringe Benefits Tax Act 1986</i> (Cth), Section 10 of the <i>Crimes Act (Australia) 1914</i>, any relevant payroll for act in each State and Territory, <i>Sales Tax Assessment Act 1992</i> (Relevant State Act), <i>Taxation Administration Act 1953</i>, <i>Superannuation Guarantee Charge Act 1992</i> (Cth), or <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth). <p>or any other legislation intended to replace such legislation, related to statutory tax audits which incur accounting costs arising in the course of and in the normal conduct of its business.</p>

What you are insured against

Subject to the terms, conditions, limitations and exclusions of this Policy, we agree to indemnify you up to the sum insured in respect of your liability to pay the fees of an accountant engaged by you in connection with an audit of your business conducted pursuant to a statutory tax audit, where:

- notification of the audit occurred during the period of insurance, and
- notification of the audit is given to us during the period of insurance.

Limit of liability

Our aggregate limit of liability in any one (1) period of insurance for all claims arising out of the one (1) occurrence will not exceed the sum insured specified in the Policy Schedule.

Our consent

We will be under no liability to make any payment in relation to accountant's fees incurred, unless our prior written consent has been obtained in accordance with the terms and conditions of this Policy.

We will be entitled, at any time, to withdraw the indemnity granted under this Policy if it appears to us that you no longer have reasonable grounds for defending the tax audit whereupon, we will not be liable in respect of any accountant's fees incurred thereafter.

Our agreement to make any payment in relation to statutory tax audit and accountant's fees and our approval of your accountant, do not constitute any acknowledgement that all accountant's fees charged by your accountant are reasonable and are to be reimbursed in accordance with the terms of this Policy.

Substantiation of claim

Subject to the terms, conditions, limitations and exclusions of this Policy, we agree to indemnify you up to a maximum of \$1,000 any one (1) claim for substantiation of a claim and for which documentary evidence only is required.

What you are not insured against

We will not pay accountant's fees:

- unless we are satisfied that the applicable culpability component has not been, or is not likely to be, imposed in excess of 50% assessable related to the culpability scale imposed pursuant to the relevant culpability scale applicable to those Acts set out in the definition of statutory tax audit above of the appropriate State,
- incurred in the defence of any statutory tax audit arising out of any directorship or the holding of any other position or office with any corporation,
- arising out of an audit commenced outside the period of insurance,
- in respect of work undertaken by you or income derived by you outside Australia,
- arising out of any delay in the submission of an income tax return,
- in circumstances where you, in respect of a final assessment of taxable income and/or income tax payable, incur a culpability component signifying, or which has been imposed on the basis of, recklessness or deliberate tax evasion or similar offence by you,
- arising out of the failure of a third party to submit an income tax return,

- (h) in respect of an audit where the returns for the period in question were not prepared by or approved by an independent accountant or registered tax agent prior to lodgment with the Australian Taxation Office. Notwithstanding anything to the contrary in this Policy, we will not pay accountant's fees incurred in the defence of any statutory tax audit in circumstances where you:
- (i) are or become bankrupt or commit an act of bankruptcy;
 - (ii) make or enter into a scheme of arrangement or compromise with creditors;
 - (iii) being a corporation, are in liquidation or come under the control of a receiver or receiver and manager or an agent for a mortgagee in possession.

Conditions which apply to this section

The following conditions apply to this section of the Policy.

There are also general conditions which apply to all sections of this Policy.

Failure to comply with conditions

If you fail to comply with any of the terms or conditions of this Policy, we may reduce our liability in relation to any accountant's fees by an amount that fairly represents the extent to which our interests have been prejudiced as a result of that failure or omission. If the act or omission giving rise to such failure could reasonably be regarded as being capable of or causing or contributing to a loss in respect of which cover is provided under this Policy, we may refuse to indemnify you in respect of the claim.

Your obligations

You must at all times exercise care and take all necessary precautions to avoid incurring any liability which might give rise to a claim under this Policy and must not recklessly pursue a course of action which will inevitably result in a claim under this Policy.

Notification of occurrences and claims

- (a) If, during the period of insurance, you become aware of any occurrence which may give rise to a claim under this Policy, you must give us immediate notice in writing. Any subsequent tax audit arising out of such occurrence will be deemed to have been commenced during the period of insurance.
- (b) You must, upon receipt of any notice, whether written or oral, of any intention to make a claim or demand or issue a writ or summons against you or upon becoming aware of any allegation which may give rise to any such claim, demand, writ or summons or upon the discovery of any occurrence, immediately notify us in writing as soon as practicable during the period of insurance and will provide full information in respect thereof. Notwithstanding anything to the contrary in this Policy, the accountant will be appointed by and on your behalf and you will be primarily liable for the payment of accountant's fees incurred by that accountant.
- (c) You must authorise and instruct the accountant:
 - (i) to disclose to us all such information and documentation as we may require from time to time;
 - (ii) to keep us fully and continually informed of all material developments in the tax audit and of the completion of the statutory tax audit;
 - (iii) to advise us immediately of any offers or compromise proposals or recommendations to make offers or compromise proposals; and
 - (iv) to advise us if, in the accountant's opinion, there is no longer any reasonable prospect of success or if the

prospects for success materially alter.

- (d) You must not unreasonably refuse to follow the advice of the accountant as to the conduct of the statutory tax audit including advice relating to the making or accepting of any offer to settle or the discontinuance of the statutory tax audit.
- (e) You must afford the accountant full co-operation in the pursuit or defence of the statutory tax audit.

Taxation of costs

- (a) You must forward copies of all accounts for accountant's fees, and any correspondence relating to them to us upon receipt and must not pay or otherwise compromise or settle such account without giving us at least fourteen (14) days prior notice.
- (b) If instructed by us, you must direct any accountant or other person retained on your behalf in the conduct of the statutory tax audit to have any account or charge referred to any relevant authority to be taxed, assessed or audited.

Recovery of costs

- (a) You must pay to us any and all costs, up to the amount of the accountant's fees incurred by us, which are recovered by you in connection with the statutory tax audit and you will take at our expense every measure to recover such accountant's fees from any third party.
- (b) We will not exercise any rights of subrogation that may accrue as a consequence of any payment made under this Policy against any director, partner or subcontractor of yours, unless such payment has been brought about or contributed to by the dishonest, fraudulent or criminal act of such director, partner or subcontractor.
- (c) We may limit or exclude our liability in relation to any accountant's fees if you, without our prior written consent which consent may be withheld in our absolute discretion, enter into any agreement or other arrangement of understanding which has the effect of limiting or denying our rights of subrogation in relation to such accountant's fees.

Recovery

In the event that any statutory tax audit results in you receiving an award of damages, you will pay a pro rata proportion of those damages to us calculated on the basis of our contribution to accountant's fees, up to, but not exceeding, the amount expended by us on such accountant's fees.

Excess

The amount of each claim otherwise payable will be reduced by the amount of the excess shown in the Policy Schedule.

General property section

This section only forms part of your Policy when the 'General property' section is shown in your Policy Schedule as applying.

1. Definitions

Wherever the following words or terms are used in this section of the Policy, their meaning will be as set out below:

Word or term	Meaning
Building	a permanent and fixed structure with a roof and walls and which is capable of fully enclosing an area under the roof when all external doors and windows are closed, including shipping containers. 'Building' does not include any yard or other open space, or any veranda, pergola, carport or other open sided structure which cannot be fully enclosed by the use of doors and/or windows.
Insured property	includes: <ul style="list-style-type: none"> (a) power tools, (b) tools of trade, (c) stock, (d) customer's property, which are used by you in the normal course or scope of your business.
Power tool	a portable tool powered by a motor, designed for drilling, driving, cutting, shaping, sanding, grinding, polishing, painting, heating or the like.
Tools of trade	includes the following manually operated instruments or devices: <ul style="list-style-type: none"> (a) hand held tools, (b) compressors, mobile plant and machinery, (c) surveying equipment, photographic and video equipment, (d) mobile communication equipment (including phones, radios, etc.), (e) ropes, chains or tarpaulins, and (f) computers, notebooks, laptops, electronic diaries or GPS units. 'Tools of trade' does not include the following items: <ul style="list-style-type: none"> (a) vehicles, trailers, motor cycles, bicycles, aircraft, watercraft, or accessories, parts or tools thereof, or (b) money, sporting equipment, or (c) power tools.

2. Cover

We will cover insured property for loss or damage occurring during the period of insurance anywhere in Australia caused by:

- (a) fire, explosion, lightning or flood,
- (b) malicious damage or vandalism,
- (c) collision, overturning or jack-knifing of the conveying vehicle or trailer,

- (d) impact damage to item/s carried on the conveying vehicle or trailer with something not on or part of that vehicle or trailer,
- (e) theft following forcible and violent entry which causes visible damage to a securely locked area within a building in which the insured property is contained,
- (f) theft of the entire conveying vehicle
- (g) theft of the entire conveying trailer, subject to loss or damage occurring outside business hours and at the time of loss the trailer is:
 - (i) attached to a vehicle; or
 - (ii) in a locked building or a fully fenced secured yard with locked gates at the insured's private residence or at any business premise or work-site; or
 - (iii) fitted with a working wheel clamp; or
 - (iv) is fitted with a operational tow ball restraint or other similar designed trailer anti theft device (note: anti theft device does not include any combination of padlock, cable and/or chain).
- (h) theft of insured property following forcible and violent entry causing visible damage to a:
 - (i) securely locked vehicle or trailer; or
 - (ii) locked compartment attached to the conveying vehicle or trailer.
- (i) theft of insured property which has been secured to the conveying vehicle or trailer through the use of anti theft devices which includes padlocks, cables, chains or welded to a vehicle or trailer.

3. Basis of settlement

When property covered by this section is lost or damaged, the following basis of settlement will apply to each item of insured property, less the excess:

- (a) for customer property, your invoice value,
- (b) for stock, the purchase price as shown on the invoice,
- (c) for power tools, we will apply the following scale based on year of manufacturer:
 - (i) up to three (3) years old - replacement value;
 - (ii) over three (3), up to four (4) years old – replacement value less 15%;
 - (iii) over four (4), up to five (5) years old – replacement value less 20%;
 - (iv) over five (5), up to six (6) years old – replacement value less 25%;
 - (v) over six (6) years old - market value;
- (d) for ropes, chains and tarpaulins, market value as at the time of loss or damage,
- (e) for all other tools of trade, the replacement value.

4. Additional benefits

4.1 Removal of debris

In addition we will reimburse costs incurred by the insured for the removal and disposal of damaged insured property, as required by an authorised government authority, which are the subject of a payable claim under this section of the Policy.

We will pay up to an amount of \$5,000 for any one (1) event.

4.2 Static risk benefit

In addition, we will cover insured property for loss or damage, occurring during the period of insurance, whilst contained in a building as a result of:

- (a) an earthquake,
- (b) impact by:
 - (i) vehicles designed for use on land;
 - (ii) animals;
 - (iii) aircraft or other aerial devices or articles dropped therefrom;
 - (iv) falling trees or part of a tree, but not if loss or damage is caused by you or any person acting on your behalf;
- (c) acts of persons taking part in any labour or political disturbances,
- (d) acts of any lawfully constituted authority in connection with the acts referred to in 4.2(c),
- (e) storm, tempest, rainwater, snow, sleet, wind, hail, but not:
 - (i) by water from or action of the sea, tidal wave, storm surge, high water or flood; or
 - (ii) erosion, subsidence, landslip, collapse or any other movement of earth; or
 - (iii) caused by water entering the building through an opening in the wall or roof made for the purpose of alterations, additions, renovations or repair.

No cover is provided for insured property situated in the open air. This additional benefit is subject to the excess applicable to this section, as shown in your Policy Schedule.

5. Limits of cover

The maximum amount we will pay you in the event of loss or damage to insured property will be subject to the limit of liability stated in your Policy Schedule.

The maximum we will pay you for any one (1) item of insured property is \$2,000, unless stated otherwise in your Policy Schedule.

You are responsible to pay the excess for each and every event that results in loss or damage, as stated in your Policy Schedule.

6. Exclusions

6.1 We will not cover any loss or damage directly or indirectly caused by:

- (a) mechanical, electronic or electrical breakdown or derangement unless as a consequence of an insured loss,
- (b) cracking, scratching or breakage of glass or fragile items or surfaces unless as a consequence of insured loss,
- (c) loss or damage caused by rust or oxidation, mildew, mould, moths, vermin, insects, change of colour, or any process of heating, drying, cleaning, dyeing or alteration to any insured item,
- (d) the action of light or atmospheric conditions or gradually developing conditions, vibration, wear, tear and/or depreciation,
- (e) dishonesty by you or others to whom any insured item may be delivered, entrusted, loaned or rented,
- (f) action of the sea, tidal wave, high water or flood,
- (g) theft by employees,
- (h) unexplained inventory shortage.

6.2 We will not cover any consequential loss or damage.

General exclusions

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. War

War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power.

2. Any act(s) of terrorism

Any act(s) of terrorism. For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the Government of the day or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or Government(s) of the day or de facto, and which:

- involves violence against one (1) or more persons; or
- involves damage to property; or
- endangers life other than that of the person committing the action; or
- creates a risk to health or safety of the public or a section of the public; or
- is designed to interfere with or to disrupt an electronic system.

3. Radioactivity

Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

4. Intentional damage

Damage or liability intentionally caused or incurred by:

- (a) you, or
- (b) a member of your family, or
- (c) a person acting with your express or implied consent or that of a member of your family.

5. Electronic data

Electronic data or the cost of rewriting records as a result of loss of electronic data.

For the purposes of this exclusion 'Electronic data' means any facts, concepts and/or information converted to a form usable for communications and/or displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes, but is not limited to, programs and/or software and/or other coded instructions for such equipment.

6. Admitted insurance

Claims made or actions instituted within any Country, State or Territory (outside Australia) that require insurance to be issued or secured with an insurer or organisation licensed in that Country, State or Territory to grant such insurance.

7. Sanction clause

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose us to any sanction, prohibition, or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

General conditions applicable to all sections

Your obligations

You are to:

1. take all reasonable precautions to avoid or minimise loss, damage, disablement or liability,
2. maintain all business premises, fittings, appliances and equipment in sound condition,
3. comply with all statutory obligations, by-laws and regulations imposed by any public authority, for the safety of persons or property, and
4. obtain certificates of inspection for all equipment required by any statute or regulation to be so certified.

Contribution

If at the time of any loss, damage, liability or injury there is any other existing insurance, whether effected by you or by any other person or persons covering the same property, we will not be liable to pay or contribute more than our rateable proportion of such loss, damage or liability.

Misrepresentation and non-disclosure

If:

1. you failed to disclose any matter which you were under a duty to disclose to us, or
2. you made a misrepresentation to us before the contract of insurance was entered into, and
3. as a consequence we would not have entered into the contract for the same premium and on the same terms and conditions expressed in this Policy, then
 - (a) our liability in respect of any claim will be reduced to an amount to place us in the same position in which we would have been placed if the failure to disclose had not occurred or the misrepresentation had not been made, or
 - (b) if the non-disclosure or misrepresentation was fraudulent, we may avoid this Policy.

Alteration

Unless our written consent is obtained, we will not cover loss, damage or liability caused or contributed to by any alteration after the commencement of this Policy:

1. in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses,
2. whereby your interest ceases by will or operation of law,
3. whereby the business is wound up or carried on by an insolvency practitioner or permanently discontinued.

If you alter the risk in any of these ways we may cancel your Policy.

Cancellation

1. You may cancel this Policy at any time in which case we will retain the pro-rata rate for the time the Policy has been in force.
2. We may cancel this Policy by giving you written notice to that effect where you have:
 - (a) failed to comply with the duty of utmost good faith,
 - (b) failed to comply with the duty of disclosure at the time when the Policy was entered into,
 - (c) made a misrepresentation to us during the negotiations for the Policy before we entered into the Policy,
 - (d) failed to comply with a provision of the Policy,
 - (e) failed to pay the premium or failed to pay any instalments for longer than one (1) month,
 - (f) made a fraudulent claim under this Policy or any other Policy of insurance (whether with us or some other insurer) that provided insurance cover during any part of the period during which this Policy of insurance provides insurance cover,
 - (g) failed to notify us of any specific act or omission where such notification is required under the terms of this Policy.
3. We may cancel this Policy pursuant to any right at law but subject to the provisions of the *Insurance Contracts Act 1984* (Cth).
4. When we cancel the Policy it will have effect from whichever of the following times is the earliest:
 - (a) the time when another Policy of insurance replacing this Policy is entered into, or
 - (b) four (4) o'clock in the afternoon of the third business day after the day on which notice was given to you.
5. When we cancel the Policy we will repay on demand a rateable proportion of the premium for the unexpired period of insurance from the date of cancellation.

Other insurance

You must notify us in writing of any insurance or insurances already effected or which may be subsequently effected covering, whether in whole or in part, the property or liability insured with this Policy.

Changes in Policy

No change in this Policy will be valid unless agreed in writing by us nor will the requirements of any section be deemed to be waived unless we agree in writing.

Transfer of interest

No interest in this Policy can be transferred without our written consent.

Automatic reinstatement

1. After we have admitted liability for loss or damage (other than for claims in respect of products liability), we automatically reinstate the sum insured to the amount shown in the Policy Schedule at the time of loss.
2. If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

Claims

What you must do if you want to claim under this Policy

You must follow these procedures if something happens which causes loss or damage or injury which may lead to a claim. If you do not, we may refuse your claim or reduce the amount we pay you.

When loss or damage occurs you must:

- (a) take all reasonable steps to reduce the loss or damage and to prevent further damage,
- (b) immediately make a full report to the police if:
 - (i) you know or suspect that property has been stolen;
 - (ii) someone has broken into your premises; or
 - (iii) someone has caused malicious damage to your property;
- (c) not make any admission of liability, offer, promise or payment in connection with any event,
- (d) promptly inform us by telephone or in person,
- (e) preserve any damaged property and make it available for inspection by our representative or agent, (including a loss adjuster),
- (f) not authorise the repair or replacement of anything without our agreement.

If you want to make a claim you must:

- (a) fill in our claim form,
- (b) return it to us within thirty (30) days of the event that gave rise to the claim,
- (c) give us all the information and documentation which we request. If we ask for it, you must provide us with a statutory declaration verifying the truth of your claim and any matters connected with it, and
- (d) immediately send us any court document or other communication you receive about the claim. Do not take any action yourself or ask anyone else to do so on your behalf.

Proceedings and negotiations

1. We control all claims.
2. We require that you give us all information and assistance we may need:
 - (a) to settle or defend claims, or
 - (b) to recover from others any amount we have paid for a claim.
3. You must allow us to:
 - (a) make admissions, settle or defend claims on your behalf, and
 - (b) take legal action in your name against another person to recover any payment we have made on a claim. We may keep any amount we recover in priority to your right to recover any amount that you have lost which is not insured under this Policy, whether or not we have paid your claim in whole or in part.

Discharge of our liabilities

At any time we can pay to you or on your behalf, for all claims made against you for any one (1) occurrence:

- (a) the limit of liability of the section under which the claim is made, after deducting any amounts already paid, or

- (b) any lower sum for which the claim may be settled.

If we do so:

- (i) the conduct of any outstanding claim(s) will become your responsibility; and
- (ii) we will not be liable to pay any further amounts other than costs, charges, or expenses that we agreed to pay before we made the payment referred to above.

Limits and excess

1. We will not pay more than the sum insured in respect of any claim:
 - (a) other than those benefits that are identified as payable in addition to the sum insured, or
 - (b) unless we agree in writing to pay legal costs or expenses in relation to a claim.
2. You must pay the amount of any excess shown in the Policy Schedule for each claim you make. Payment of your excess may be requested when you lodge your claim form or may be deducted from our payment to you.
3. If you suffer damage which leads to a claim under more than one (1) section of this Policy:
 - (a) the highest applicable excess is payable, but
 - (b) only one (1) excess is payable.

Inspection and salvage

1. You must give us access to your property and the location or make them available to us for inspection if you make a claim.
2. You must allow us to take possession of any damaged property and deal with it in a reasonable manner. If we do not take possession of the damaged property, you cannot abandon your responsibilities for the property.

Other insurances

At the time you make a claim, you must give us written notice of any other insurance covering the property or legal liability which may also apply to your claim.

Contribution

When a loss paid under this Policy is also recoverable under another Policy and we have paid more than our rateable share, we reserve the right to seek contribution from the other insurer or insurers.

False claims

If you, or someone acting on your behalf makes a false claim, or causes loss or damage deliberately, we may:

- (a) to pay the claim,
- (b) cancel this Policy, or
- (c) take legal action against you.

Insurance Contracts Act 1984 (Cth)

Nothing contained in this Policy is to be construed to reduce or waive either your or our privileges, rights or remedies available under the *Insurance Contracts Act 1984* (Cth).

Due observance

If you fail to comply with any term, condition or provision of the Policy, we may refuse to pay a claim, but in any event our rights will be subject to the provisions of Section 54 of the *Insurance Contracts Act 1984* (Cth).

